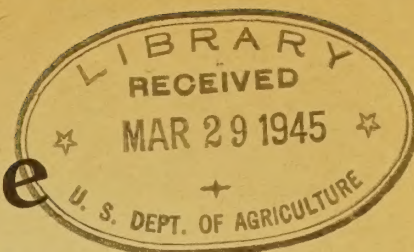


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We Produce For Victory



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FOURTH ANNUAL
FARM AND HOME
BUSINESS REPORT
FOR F. S. A. BORROWERS
IN JACKSON COUNTY,
OKLAHOMA,
1941

AN ANALYSIS OF 45 FARM FAMILY RECORD BOOKS KEPT BY F. S. A.
BORROWERS IN JACKSON COUNTY, OKLAHOMA, IN 1941

Agricultural Economics Department
Oklahoma Agricultural and Mechanical College
and
Farm Security Administration
Cooperating
Stillwater, Oklahoma
July, 1942

(Our Food For Freedom Number)

We Produce For Victory

TOWNSHIP ANNUAL
CASH REPORT
BY JAMES H. HARRIS
WITH A. B. HARRIS
IN JACKSON COUNTY
OKLAHOMA
1911



ANNUAL REPORT OF THE
TOWNSHIP OF JACKSON COUNTY
OKLAHOMA
FOR THE YEAR
1911
BY JAMES H. HARRIS
WITH A. B. HARRIS
IN JACKSON COUNTY
OKLAHOMA
1911

(Our Road For Freedom Number)

FOURTH ANNUAL FARM AND HOME BUSINESS REPORT
FOR FSA BORROWERS

IN

Jackson County, Oklahoma for 1941

by

Peter Nelson and Archie Leonard*

INTRODUCTION

A year ago when the third annual farm and home business report for Jackson County was prepared for FSA borrowers, we were at peace. Today we are at War. We are all putting forth our utmost efforts to win. Enormous quantities of food will be required to win the War and, as Secretary Wickard says, "Help write the peace". We cannot afford now to be inefficient. We must do everything possible to make our farms of America the most efficient food factories the world has ever known. This job will require sound thinking and careful planning. An accurate knowledge of our farms and what they have done in the past is the most accurate basis known from which to start planning. This Fourth Annual Farm and Home Report has been prepared with the knowledge that we need increased production to win the War. We hope the information in this report will guide FSA families in doing their share. We must win.

PURPOSE OF THIS REPORT

Many of you are acquainted with last year's report. Some families are new borrowers and may meet up with a few things in the report which may not be readily understood. Paper is scarce this year and we are going to depend upon old borrowers and Farm Security Administration Supervisors to explain the details of this report. We seldom know how well we have done in our farm and home management until we can compare our success with the successes of other farm families. We can also adjust our planning when we know something about how other families are planning and what they are thinking. This report will not give you detailed reports on any one family any more than any other family might get a detailed report on your farm. It will give you the figures on what the average family has done. This report will also tell you what the average family in the high income group did. It does not in any way give any other family information about your farm and your family. We hold your business in strict confidence.

Figures for your farm when inserted in the blank columns appear in no other report. The only way anyone else can find out about your report or record is for you to show your report to them or to discuss it with them. You are master of your own farm and your own business. You are

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free to discuss this report with your neighbors. We hope you will. It might provide a good subject for one of your neighborhood meetings. Perhaps it has the answers to some of the things you would like to know. There can be no substitute for just "sitting down and talking things over". Trading ideas may be the most profitable transaction made during the year.

THE RECORDS ARE GOOD

As usual an excellent group of records has been kept in Jackson County. We all wish there could have been time enough to analyze 250 records instead of only 45. It is felt that the records selected represent a fair sample and that the average of record keeping families for the various groups would not be materially different even though 250 records had been used. You can depend upon the averages shown in this report as a good indication of how Jackson County FSA borrowers are managing their farms to produce "food for freedom".

The job of keeping records was new to many of you. The enthusiasm and interest you have shown makes us believe that families will continue to make good plans, keep accurate record books, and repay loans. Farm Security Administration intends to do everything possible to help produce the food needed to win the War. We know each and every FSA family will do its best to meet the goals they have set up in their plans in this report.

ABOUT THE TABLES

Three tables have been included in this report. Table I shows the actual cash income and cash expenses for 1941 and the planned cash income and cash expenses for 1942. Table II is an analysis of the net worth statements and progress made in paying debts. It also shows the acres per farm. The items in Table III require that a number of calculations be made. We will try and help you fill out the column for your farm.

Table I has four main columns. Each column is divided into two smaller columns. These are called "1941 Actual" and "1942 Planned". There is a column for "your farm". It shows your income for 1941 and your plans for 1942. It shows what you actually spent in 1941 and what you plan to spend in 1942. The other columns are averages for various groups. One column shows the average for all 45 farms. Another shows the average of the 15 families having the highest net family earnings. The last column shows the average of the families with the smallest net family earnings in 1941.

Many families have told us that it is easy to figure how much income they had by just adding up what they spent. This is the way net family earnings were determined. Families do one of two things with their earnings. They either use them up during the year or set them aside for the future years. Earnings used up during the year include cash spent for family living and farm products consumed by the family during the year. Earnings not used up but saved for future years or

used to pay off debts are represented by the increase in net worth. It is thus possible to determine family earnings by simply adding together cash living expenses, farm products furnished by farm for family living, and increase in net worth. This figure represents "net family earnings", and was the basis used for sorting into "high" and "low" income groups.

TABLE I. ACTUAL 1941 and PLANNED 1942 CASH INCOME AND EXPENSES AND FARM PRODUCTS FURNISHED BY FARM FOR FAMILY USE ON 45 FSA FARMS IN JACKSON COUNTY, OKLAHOMA, 1941-42, SORTED INTO GROUPS ON BASIS OF ACTUAL NET FAMILY EARNINGS IN 1941

I T E M	Column No.	YOUR FARM		AVERAGE 45 FARMS		AVERAGE 15 HIGH		AVERAGE 15 LOW	
		1941	1942	1941	1942	1941	1942	1941	1942
		Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned
Net Family Earnings		\$ 1134	\$ 1624	\$ 635	\$ 697				
Crop Sales	2-3	\$ 354	\$ 361	\$ 363	\$ 930	\$ 351	\$ 697		
Poultry Sales	4	14	24	23	19	13	23		
Egg Sales	5	35	153	38	200	29	122		
Dairy Products	6	183	376	240	448	111	335		
Cattle Sales	7	28	172	37	200	31	137		
Hog Sales	8	7	31	10	41	12	26		
Other L. S. Sales	9	17	23	10	59	18	2		
Other Farm Income	10	114	100	152	107	81	85		
Not from Farm	11	217	51	381	45	123	31		
TOTAL FAMILY INCOME	Add	\$ 969	\$ 1791	\$ 1254	\$ 2049	\$ 769	\$ 1458		
Feed Purchases	2	\$ 70	\$ 69	\$ 71	\$ 71	\$ 67	\$ 73		
Crop Expense	3	90	176	98	193	86	175		
Machinery Repairs	4	18	37	28	54	15	29		
Auto Expense	5	59	41	95	41	46	34		
Tractor & Truck	6	60	63	131	97	12	29		
Bldg. & Land Exp.	7	11	21	16	17	10	28		
Misc. L.S. Expense	8	23	10	33	11	23	11		
Hired Labor	9	66	62	62	71	37	27		
Taxes, Ins., etc.	10	36	21	58	36	17	7		
Cash rent	11	12	10	5	9	32	12		
Other Farm Expense	12	38	52	45	53	51	44		
TOTAL FARM EXPENSE	Add	\$ 483	\$ 562	\$ 642	\$ 653	\$ 396	\$ 469		
Food Purchased	2	\$ 155	\$ 128	\$ 176	\$ 122	\$ 142	\$ 126		
Clothing Purchased	3	74	88	82	87	63	84		
Personal Expenses	4	20	27	19	25	18	24		
Medical Care	5	26	47	25	38	21	43		
Household Operation	6	46	58	55	56	36	54		
Minor Housing	7	4	20	5	14	3	31		
Minor Furn. & Equipt.	8	14	19	26	15	9	20		
School, Church, etc.	9	23	33	34	29	16	28		
Transportation	10	3	3	3	0	1	1		
Life Insurance	11	8	6	7	7	6	5		
Other Expense	12	6	2	8	0	9	4		
TOTAL FAMILY LIVING	13	\$ 379	\$ 431	\$ 440	\$ 393	\$ 324	\$ 420		
Net Cash Opr. Inc.	Cal.	\$ 107	\$ 798	\$ 172	\$ 1003	\$ 49	\$ 569		
Farm Prod.—Home Use	P.41	\$ 366	\$ 542	\$ 403	\$ 549	\$ 317	\$ 520		
Increase in Net Worth	P.4	\$ 389	\$	\$ 781	\$	\$ - 6	\$		
Quarts of Food Canned	P.41	Q.	377Q.	564 Q.	446 Q.	585 Q.	270 Q.	565Q	

LET'S COMPARE EARNINGS

The average farm family earned \$1134. It is calculated by adding together the following figures: Family Living Expense, \$379, Farm Products Furnished by the Farm for Family Use, \$366, and Increase in Net Worth, \$389. The 15 families earning the most averaged earning \$1624, and were able to save \$781. The low income group earned \$635 and their net worth actually decreased by \$6. This table should be useful to you in seeing how your farm compares with the average of the high group or the low group. Were your earnings higher or lower than the average? Did you spend more for family living? Were you able to save more than the average? A study of these comparisons may help you decide how your earnings in the future should be used.

The second column in each of the four main columns shows what families planned to do in 1942. All items of farm income show planned increases in 1942 over 1941. The planned increases in dairy, poultry, and hog sales are especially noteworthy. The average family sold \$35 worth of eggs in 1941 and planned to sell \$153 worth in 1942. Plans call for \$193 more income from dairy products sales, an increase of over 100%. Plans show \$24 more income from hogs. How are your plans running? Are you planning increases in those things which Uncle Sam needs most to win the War? Indications in this report point out that the response to the suggestions that farmers increase production of dairy, poultry, and hog production has been exceedingly good. Reports at this time indicate that most FSA families are meeting their goals. We have six months yet to go on the estimates set up in this report. Will dairy production continue to stand up to plans? Will the planned increases in egg production materialize when the records are summarized at the end of 1942? We hope you will keep this report close at hand for the remainder of this year and do your best to produce the things you have planned. This will be your biggest contribution towards winning the War.

EXPENSES ARE HIGH

Farming in Jackson County seems to be getting on a "cash" basis. It takes a lot of "Cash" to pay expenses, and the ability to handle "Cash" seems to be one of the most important factors in managing a farm. What should money be spent for? What items should be purchased and what items should be produced at home? What items are "must" expenses, and what items could be done without until the War is won? These are problems facing farm families right now and decisions must be made daily. Each planned expenditure must be analyzed carefully. Will it pay? Will it result in more "Food for Freedom"?

The ability to handle cash efficiently is a new art in agriculture and is causing everybody plenty of worry. Accurate records are the means of testing the ability of farm families to handle cash. They are much more necessary now than they were in "pioneer days". Should we buy a tractor to replace horses on our sized farm? Should we buy protein supplements and laying mash or should we produce more skim-milk, alfalfa, cow-peas, and soybeans? These are problems our pioneer parents did not have to worry about. Their cash requirements were low. Ours are high. Are we going to be able to solve the problem, or will we have to go back to the "good old days". The answer requires a "business" type of approach. Accurate records of income and expenses will be the foundation of making "business" decisions.

TABLE II.

AVERAGE NET WORTH STATEMENTS ON 45 FSA FARMS IN JACKSON COUNTY, OKLAHOMA,
on DEC. 31, 1941, SORTED INTO GROUPS ON BASIS OF NET FAMILY EARNINGS
in 1941.

I T E M	YOUR FARM	AVERAGE 45 FARMS	AVERAGE 15 HIGH FARMS	AVERAGE 15 LOW FARMS
Net Family Earnings	\$	\$1134	\$1624	\$ 635
Real Estate Owned	\$	\$1157	\$1842	\$ 716
Machinery & Equipment	.....	546	774	261
Feed and Supplies	.....	212	297	110
Livestock	.....	704	830	597
Household Inventory	.....	432	558	262
Cash on hand and in Bank	.....	29	16	44
All other Assets	.....	36	78	—
Total Assets Owned	\$	\$3116	\$4395	\$1990
Real Estate Debt Owed	\$	\$ 454	\$ 781	\$ 293
Chattel Mortgages	.....	13	20	7
F.S.A. Loan	.....	948	927	888
Past Due Interest	.....	2	6	—
Past Due Taxes	.....	1	2	—
Other Debts	.....	47	45	43
Total Debts Owed	\$	\$1465	\$1781	\$1231
Net Worth at End of 1941	\$	\$1651	\$2614	\$ 759
Net Worth at Beginning of 1941	\$	\$1262	\$1833	\$ 765
Increase in Net Worth	\$	\$ 389	\$ 781	\$ - 6
Operating Capital (except RE)	\$	\$1959	\$2553	\$1274
Operating Debt (" ")	\$	\$1011	\$1000	\$ 938
Operating Net Worth at End of Yr.	\$	\$ 948	\$1553	\$ 336
Amount Borrowed in 1941	\$	\$ 525	\$ 567	\$ 402
Amount Paid on Debts in 1941	\$	\$ 349	\$ 403	\$ 316
Net Reduction of Debts	\$	\$-176	\$-164	\$ -86
Total Acres in Crops	..... A.	118 A.	140 A.	90 A.
Total Acres in Farm	..... A.	171 A.	200 A.	149 A.
Total Acres not in Crops	..... A.	53 A.	60 A.	59 A.

EFFICIENCY FACTORS

These are two words which we hope will become a part of your knowledge about farming. Efficiency factors refer to items which tell how well we have done a job rather than how big the job may have been. Yield per acre of wheat may be high. That is an efficiency factor. Total number of acres of wheat may be large. That is a volume of business factor. Efficiency factors usually refer to rates. The most important efficiency factors on a farm are yields per acre and income from feed fed to productive livestock. Some of these are not reported and it would be difficult to go back and get the figures. For this reason, the factors in Table III may not be the most useful but they are the ones which could be calculated from information on the 433 Farm and Home Plan—Summary filled out by each family. As you study through the report, you will probably think of other factors which you would like to have for your farm. For instance, butter-fat production per cow and eggs per hen are not shown. These are vital factors of efficiency. We hope next year to get more information along these lines for you. You can help by keeping up egg production records, butter-fat records, and all the other records in your farm and home account book. In the meantime let's study some of the factors in this report.

We hear a lot these days in Jackson County about the high amount of machinery required to operate a farm. Just how much is too much. Or just how much is too little. Machinery investment is usually associated with acres of land in crops. The factor indicating the relationship between machinery investment and acres of crops is usually called "Machinery and Equipment Investment Per Crop Acre". It is calculated by dividing the total value of the machinery and equipment inventory by the number of acres of crop land. The average farm in this report has \$4.63 invested in machinery and equipment for each acre of crop land. The high income group had an investment of \$5.53 compared with an investment of \$2.90 per acre of crop land on the low income farms.

The amount of livestock investment per acre of land was about the same on the high income farms as on the low income farms. The average farm has \$4.12 worth of livestock for each acre of land in the farm. The high income group, however, have a higher concentration of livestock on their pastures. The average investment in livestock for each acre of land not in crops amounted to \$13.84 on the high income farms and only \$10.12 on the low income farms.

The high income group of farms took in \$4.36 in cash from each acre of land farmed. The low income group averaged \$4.34 per acre income. It must be remembered that these figures are not the total receipts from the farm. The landlord's receipts from the farm are not shown. We can tell from studying the inventories that the high income group of farms owned more of the land they operated than the low income group, but we can not tell just how much more of the difference in receipts was due to getting more income per acre. We would like very much to have the total receipts from the farm for next year's analysis.

There are many other factors shown. Someone from the FSA Office will try and go over the figures with you and explain what they mean and how they

affect your farm organization. This may be done in neighborhood meetings or in your own home on regular visits. Be sure and write down any questions you may have so they won't be forgotten. We hope you will study through the tables and use them as a basis for your future plans for increasing production of "Food for Freedom".

TABLE III.

FACTORS OF EFFICIENCY ON 45 FSA FARMS IN JACKSON COUNTY, OKLAHOMA,
IN 1941 SORTED INTO GROUPS ON BASIS OF NET FAMILY EARNINGS IN 1941.

I T E M	YOUR FARM	AVERAGE 45 FARMS	AVERAGE 15 HIGH FARMS	AVERAGE 15 LOW FARMS
Net Family Earnings	\$	\$ 1134	\$ 1624	\$ 635
Mach'y & Equipment Invest. Per Crop Acre	\$	\$ 4.63	\$ 5.53	\$ 2.90
Livestock Investment Per Acre in Farm	\$	4.12	4.15	4.01
Livestock Invest. @ Acre not in Crops	\$	13.28	13.84	10.12
Operating Debt Load Per Acre in Farm	\$	5.91	5.00	6.29
Cash Farm Income Per Acre in Farm	\$	\$ 4.40	\$ 4.36	\$ 4.34
Cash Farm Expense Per Acre in Farm	\$	2.82	3.21	2.66
Net Cash Farm Income Per Acre in Farm	\$	\$ 1.58	\$ 1.15	\$ 1.68
Per Cent of Livestock Income to Buy Feed	%	25%	20%	31%
Per Cent of Net Family Earnings For:				
1. Family Living Expenses	.....%	33%	27%	51%
2. Farm Products Used by Family	.....%	32%	25%	50%
3. Increase in Net Worth	.....%	35%	48%	-1%
Cash Income from Crops	\$	\$ 354	\$ 363	\$ 351
Cash Income from Livestock	\$	\$ 284	\$ 358	\$ 214
Other Cash Income from Farm	\$	\$ 114	\$ 152	\$ 81
Other Income not from Farm	\$	\$ 217	\$ 381	\$ 123
Per Cent of Cash Income from Crops	.....%	37%	29%	46%
Per Cent of Cash Income from Livestock	.....%	29%	29%	28%
Crop Income Per Acre in Farm	\$	\$ 2.07	\$ 1.82	\$ 2.36
Livestock Income Per Acre in Farm	\$	\$ 1.66	\$ 1.79	\$ 1.44
Per Cent of total land in Crops	.....%	69%	70%	60%
Total Living Costs	\$	\$ 745	\$ 843	\$ 641
Per Cent of Living from Farm	.....%	49%	48%	49%
Total Farm Operating Capital (Except RE)	\$	\$ 1462	\$ 1901	\$ 968
Percent in Machinery & Equipment	.....%	37%	41%	27%
Percent in Feed, Seed, & Supplies	.....%	15%	16%	11%
Percent in Livestock (Prod. & Workstock)	.....%	48%	43%	62%

